

SOYBEAN PRODUCTION

COSTS AND RETURNS 2001 - 2002 ^{1/}

| ITEM | UNITED STATES | | HEARTLAND | | EASTERN UPLANDS | |
|---|--------------------------|----------|-----------|----------|-----------------|----------|
| | 2001 | 2002 | 2001 | 2002 | 2001 | 2002 |
| Gross value of production | Dollars Per Planted Acre | | | | | |
| Primary product: Soybeans | 178.62 | 215.25 | 189.78 | 228.34 | 166.14 | 185.31 |
| Total, gross value of production | \$178.62 | \$215.25 | \$189.78 | \$228.34 | \$166.14 | \$185.31 |
| Operating costs: | | | | | | |
| Seed | 22.59 | 24.07 | 21.72 | 23.01 | 24.81 | 24.19 |
| Fertilizer | 8.32 | 7.50 | 7.42 | 6.72 | 20.45 | 18.37 |
| Soil conditioners | 0.11 | 0.11 | 0.09 | 0.09 | 0.48 | 0.47 |
| Manure | 1.09 | 0.85 | 1.18 | 0.92 | 0.21 | 0.16 |
| Chemicals | 22.89 | 22.89 | 22.82 | 22.73 | 24.13 | 24.72 |
| Custom operations | 6.13 | 6.03 | 6.14 | 6.05 | 3.94 | 3.88 |
| Fuel, lube, and electricity | 8.69 | 7.89 | 7.76 | 7.15 | 6.67 | 7.04 |
| Repairs | 10.59 | 10.72 | 9.84 | 9.95 | 8.59 | 8.44 |
| Purchased irrigation water | 0.06 | 0.06 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest on operating capital | 1.36 | 0.67 | 1.30 | 0.64 | 1.50 | 0.73 |
| Total, operating costs | \$81.83 | \$80.79 | \$78.27 | \$77.26 | \$90.78 | \$88.00 |
| Allocated overhead: | | | | | | |
| Hired labor | 2.04 | 2.18 | 1.42 | 1.49 | 2.45 | 2.50 |
| Opportunity cost of unpaid labor | 20.17 | 20.85 | 19.41 | 20.21 | 34.10 | 34.65 |
| Capital recovery of machinery and equipment | 55.75 | 56.46 | 52.80 | 53.42 | 52.38 | 51.40 |
| Opportunity cost of land (rental rate) | 81.98 | 83.27 | 92.38 | 93.78 | 41.14 | 41.18 |
| Taxes and insurance | 7.14 | 7.09 | 7.14 | 7.11 | 5.88 | 5.85 |
| General farm overhead | 15.17 | 15.40 | 15.46 | 15.72 | 11.70 | 11.93 |
| Total, allocated overhead | \$182.25 | \$185.25 | \$188.61 | \$191.73 | \$147.65 | \$147.51 |
| Total, costs listed | \$264.08 | \$266.04 | \$266.88 | \$268.99 | \$238.43 | \$235.51 |
| Value of production less total costs listed | -85.46 | -50.79 | -77.10 | -40.65 | -72.29 | -50.20 |
| Value of production less operating costs | 96.79 | 134.46 | 111.51 | 151.08 | 75.36 | 97.31 |
| Supporting information: | | | | | | |
| Yield (bushels per planted acre) | 43 | 41 | 46 | 44 | 39 | 33 |
| Price (dollars per bushel at harvest) | 4.15 | 5.25 | 4.16 | 5.23 | 4.26 | 5.58 |
| Enterprise size (planted acres) ^{1/} | 220 | 220 | 225 | 225 | 130 | 130 |
| Production practices: ^{1/} | | | | | | |
| Irrigated (percent) | 5 | 5 | 2 | 2 | 0 | 0 |
| Dryland (percent) | 95 | 95 | 98 | 98 | 100 | 100 |

The Economic Research Service revised its accounting methodology for corn, soybeans, cotton, grain sorghum, peanuts, hogs and cow-calf enterprises to conform with the new stands recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. For these same commodities, ERS is publishing regional estimates using new resource regions. **Western Kentucky is considered Heartland while eastern Kentucky is included in Eastern Uplands.**
^{1/}Developed from survey base year, 1997.